This year may finally see a solution to the Medicare reimbursement problem that has plagued local doctors for years.

The crux of the issue is that a handful of counties are limited in their Medicare reimbursements by the Geographic Practice Cost Index, known as GPCI. This geographic designation, now 40 years old, labels certain counties as "rural" even though their economies have changed in the ensuing four decades.

This means Medicare compensation is being doled out based on definitions that are four decades old!

Earlier this month, language to solve this problem in California was included in the " Children's Health and Medicare Protection Act, " which was passed by the full House of Representatives. If signed into law, the bill (<u>H.R. 3162</u>) would adjust GPCI for California counties effective January 1, 2008.

For the Central Coast, this would increase reimbursement levels for Monterey and Santa Cruz counties. The legislation would also hold San Benito County "harmless" until the next adjustment round, meaning reimbursement rates would not fall. The next adjustment would take place in 2011.

This fix was brought on in large part due to legislation I introduced earlier this year, <u>H.R. 2484</u>. Until we solve this problem, seniors are in jeopardy of losing access to their doctors, many of whom are refusing to take new Medicare patients. A fix to this problem has been advocated for years by the Santa Cruz County and Monterey County medical societies, as well as the California Medical Association.

In addition to Monterey and Santa Cruz counties, this problem affects communities throughout California. I was joined on H.R. 2484 by Democratic Reps. Anna Eshoo (Palo Alto), Lois Capps (Santa Barbara), Lynn Woolsey (Petaluma), Mike Thompson (Napa Valley), Susan Davis (San Diego), Bob Filner (San Diego), Wally Herger (Marysville), Maurice Hinchey (New York), Doris Matsui (Sacramento) and Republican Reps. Darrell Issa (Vista), Brian Bilbray (Solano Beach)

and John McHugh (New York).

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